UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/C.5/47/24
22 October 1992

ORIGINAL: ENGLISH

Forty-seventh session
FIFTH COMMITTEE
Agenda item 104

PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993

International Computing Centre: 1993 budget estimates

Report of the Secretary-General

1. The 1993 budget estimates of the International Computing Centre (ICC), Geneva, are summarized below for review and approval by the General Assembly in accordance with the procedure laid down by the Assembly in section III of its resolution 31/208 of 22 December 1976. In that resolution, the General Assembly endorsed the recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that, bearing in mind the provisions of paragraph 3 of Article 17 of the Charter of the United Nations, the budget of ICC should be subject to review and approval by the General Assembly. In the absence of such a review, the proposed budgets of ICC would not be subject to scrutiny by any intergovernmental organ.

2. ICC was established in 1971 to serve all those organizations of the United Nations system wishing to participate in its activities. The large variety of substantive work carried out by its participants means that ICC has to provide a comprehensive range of interactive data processing, text processing and related telecommunications services on a world-wide basis. The structure of the Centre is adjusted in response to participants' requirements, and its funding reflects the fact that not all participants make use of all the Centre's facilities all of the time. Users of ICC include the following participating organizations:

United Nations

United Nations Environment Programme (UNEP)

Office of the United Nations High Commissioner for Refugees (UNHCR)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Research Institute for Social Development (UNRISD)

World Food Programme (WFP)

International Labour Organisation (ILO)

United Nations Educational, Scientific and Cultural Organization (UNESCO)

World Health Organization (WHO)

World Meteorological Organization (WMO)

World Intellectual Property Organization (WIPO)

General Agreement on Tariffs and Trade (GATT)

International Trade Centre UNCTAD/GATT (ITC)

World Bank

International Monetary Fund (IMF)

United Nations Industrial Development Organization (UNIDO)

Industrial Fund for Agricultural Development (IFAD)

Food and Agriculture Organization of the United Nations (FAO)

International Atomic Energy Agency (IAEA)

3. At its sixty-fifth session, held in September 1986, the Consultative Committee on Administrative Questions (CCAQ) of the Administrative Committee on Coordination (ACC) proposed to the Management Committee of ICC to consider the possibility of a complete presentation of budget estimates in Swiss francs, the currency in which a large part of the expenditures of ICC are actually incurred, in order to facilitate a meaningful analysis of real growth in the services provided. Although the presentation by ICC of its 1993 budget estimates complies with that proposal, these estimates have, for their submission to the General Assembly, been converted to United States dollars at the rate of SwF 1.43 to the dollar, as reflected in the initial appropriation for the 1992-1993 programme budget of the United Nations. This has been done in order to relate the latter's share to the estimated 1992 total costs of ICC.

4. As shown in table 1 below the 1993 budget estimates, based on an exchange rate of SwF 1.43 to the dollar and an inflation assumption of 5.85 per cent in 1992 and 1993, amount to $13,789,700 as compared to a total of $13,053,600 in 1992, which was based on an exchange rate of SwF 1.40 to the dollar and an inflation assumption of 4.65 per cent. The presentation of the 1993 estimates has been revised to conform to the programme budget format of the United Nations. The 1992 approved estimates in Swiss francs have been revalued to take into account the revised inflation rate of 5.85 per cent assumed for 1992 as compared to the original assumption of 4.65 per cent used in the original estimates. In the case of the dollar estimates, in addition to the inflation adjustments, the revaluation also reflects an adjustment of exchange rate reflected in the 1992 approved estimates (1.40) to the rate of exchange (1.43) assumed in the initial appropriations for the 1992-1993 programme budget of the United Nations. The total revalued 1992 resource base in Swiss francs (SwF 18,484,556) and United States dollars ($12,926,262) represents the resource level required to finance the 1993 ICC budget at the maintenance level and to measure the rate of real growth. Based on ICC's projected inflation for 1992, the inflation rate for 1993 has also been assumed at 5.85 per cent whilst the rate of exchange of 1.43 Swiss francs to the United States dollar is based on the initial appropriations for the programme budget of the United Nations for the biennium 1992-1993.

5. For the purpose of costing their probable usage of ICC services, the participating organizations are provided with the rates agreed to by the ICC Management Committee. Table 2 below shows details on the 1993 probable use of ICC services as provided by the participating organizations. For comparative purposes the actual funding for 1992 and the latest estimates of probable funding for 1991 are also shown in table 2. The budget level so estimated includes a residual income in the amount of SwF 350,000 designated as "Other funds". ICC indicates that the residual income would be received from non-participant organizations which use ICC facilities, for example, inter-agency bodies such as CCAQ and the Advisory Committee for the Coordination of Information Systems (ACCIS), national Governments and intergovernmental bodies and also from those participants that exceed their stated usage.

6. It should be noted that several of these estimates have been received, and included, in provisional form, being subject in some cases to final review by governing bodies of the agencies concerned. The work of the participants ranges from well-articulated projects to tentative undertakings for which they are unable to give, at the present time, precise estimates of the resources required. If the pattern that has evolved in the past is repeated, then, as a participant's work programme becomes more specific during the year, it will revise its funding of the various activities.

7. The total estimates in respect of the share of the United Nations for the use of ICC (see table 2) in 1993 would, thus, amount to $2,924,300 at an exchange rate of 1.43 Swiss francs to the United States dollar. The amount actually required would be met from the resources ($5,608,200) included from the United Nations share of ICC under section 34, Special expenses, of the programme budget for the biennium 1992-1993.

Table 1. Analysis of overall costs

	1992 approved budget	Revaluation of 1992 resource base a/		Total revalued 1992 resource base	Resource growth		Total requirements at revised 1992 rates	Inflation in 1993		1993 estimates
			%			%			%	
SwF	18 275 000	209 556	1.15	18 484 556	153 398	0.83	18 637 954	1 081 346	5.85	19 719 300
$US	13 053 600	(127 300)	(0.98)	12 926 300	107 200	0.83	13 033 500	756 200	5.85	13 789 700

a/ Additional requirements resulting from revised inflation rate (5.85 per cent instead of 4.65 per cent) and currency exchange (1.43 instead of 1.40) rates.

/...

Table 2. 1993 probable funding of ICC as estimated by participating organizations

Participating organization	Swiss francs			United States dollars	Percentage	
	Actual funding	Estimated funding				
	1991	1992	1993	1993 a/	1992	1993
United Nations	3 151 175	4 009 877	4 181 736	2 924 300	21.94	21.21
WHO	3 081 629	3 994 550	3 790 000	2 650 300	21.86	19.22
UNDP	69 547	65 360	76 000	53 100	0.36	0.38
UNICEF	116 280	99 653	115 000	80 400	0.55	0.58
ILO	351 606	274 500	388 683	271 800	1.50	1.97
WMO	67 888	69 000	75 000	52 400	0.38	0.38
UNRISD	5 807	4 590	10 364	7 200	0.03	0.05
UNEP	155 408	199 998	296 051	207 000	1.09	1.50
GATT	524 574	800 000	670 000	468 500	4.38	3.40
WIPO	1 149 942	1 795 706	2 350 738	1 643 900	9.83	11.92
UNESCO	52 540	57 000	70 592	49 400	0.31	0.36
ITC	517 108	419 566	623 000	435 800	2.30	3.16
UNHCR	2 658 955	3 344 876	3 929 201	2 747 800	18.30	19.93
WFP	1 628 750	2 264 800	2 285 000	1 597 900	12.39	11.59
World Bank	115 312	146 750	145 890	102 000	0.80	0.74
IFAD	161 907	366 416	303 000	211 900	2.00	1.54
UNIDO	4 424	29 000	5 226	3 700	0.16	0.03
IMF	1 798	3 665	3 000	2 100	0.02	0.01
FAO	11 614	15 000	50 674	35 400	0.08	0.26
IAEA	139	415	165	100	0.00	0.00
Participants	13 826 403	17 960 672	19 369 320	13 545 000	98.28	98.23
Other funds	2 741 028	314 278	350 000	244 800	1.72	1.77
Total	16 567 431	18 274 950	19 719 320	13 789 700	100.00	100.00

a/ Based on an exchange rate of SwF 1.43 to the dollar.

8. Upon receipt of the various estimates of probable usage by the participating organizations, ICC translates the projected demand for its services into the physical resources required to meet the demand and, by grouping expenditures on similar resources, ICC's budget by category of expenditure is then developed. Table 3 below shows the allocation of the 1993 budget estimates, by category of expenditure and, for comparative purposes, the equivalent budget approved for 1992.

9. It will be noted in table 3 that there is a 650 per cent increase in telecommunications charges with respect to 1992. This is due to the fact that following a recommendation by CCAQ (Financial and Budgetary Questions), telecommunications charges incurred on behalf of participating organizations have been added to this budget line. These charges were formerly handled outside the ICC budget. Thus, SwF 200,000 or $139,900 is required for ICC's internal communications expenses and the SwF 1,300,000 or $909,000 is to cover participants' requirements. This inclusion accounts for nearly all of the proposed budgetary increase.

10. Table 4 below contains the post requirements of the Centre for 1993, which remain at the level approved for 1992. The ICC activities are carried out, under the supervision of the Office of the Director, by the following services: a Systems Development Service; a Computer Operations Service; and an End-User Services Unit. The vacancy rate of Professional posts, compared to 1991, has increased from 25 per cent in 1991 (4 vacant posts out of 16) to 50 per cent in 1992 (8 Professional vacant posts out of 16). This vacancy rate includes the post of Director since March 1992. This high vacancy rate is covered by short-term staff who will be considered for fixed-term posts once a new Director has been appointed. The Management Committee is currently reviewing candidates for this post and expects to have a recommendation prepared for the Secretary-General before the end of 1992.

11. At its most recent session, held on 1 and 2 October 1992, the ICC Management Committee considered the possible biennialization of the ICC budget. It was agreed that such a procedure was feasible and that the Director of ICC should approach the CCAQ (Financial and Budgetary Questions) with a recommendation to move ICC to a biennial budget.

Table 3. Summary of budget estimates for 1992-1993 by object of expenditure

Category of expenditure	Approved estimates	Estimated requirements		Percentage of overall budget		Increase (decrease)
	1992	1993	1993	1992	1993	1993/1992
	(SwF)	(SwF)	(US$) a/	%	%	%
Salaries and related costs	4 400 000	4 550 000	3 181 800	24.08	23.07	3.4
Contractual services	150 000	300 000	209 800	0.82	1.52	100.0
Duty travel	15 000	15 000	10 500	0.08	0.08	-
Supplies						
Software	1 950 000	1 900 000	1 328 700	10.67	9.64	(2.6)
Database	260 000	300 000	209 800	1.42	1.52	15.4
Supplies (computer and office)	290 000	315 000	220 300	1.59	1.60	8.6
Equipment						
Equipment - rentals	8 590 000	8 194 320	5 730 300	47.00	41.55	(4.9)
Equipment - purchases	680 000	600 000	419 600	3.72	3.04	(11.8)
Technical literature	25 000	85 000	59 400	0.14	0.43	240.0
Common service costs:						
Accommodation and related costs	1 650 000	1 900 000	1 328 700	9.03	9.64	15.2
Telecommunications:						
Telephone, facsimile, telex and telegrams	200 000	1 500 000	1 048 900	1.09	7.61	650.0
Miscellaneous expenses	65 000	60 000	41 900	0.36	0.30	(7.7)
Total	18 275 000	19 719 320	13 789 700	100.00	100.00	7.9

a/ Based on an exchange rate of SwF 1.43 to the dollar.

Table 4. Post requirements for 1993

Professional category and above:	
D-2	1
D-1	-
P-5	2
P-4	4
P-3	3
P-2	6
Total	16
General Service category:	
G-7	1
G-6	3
G-5	-
G-4	4
G-3	7
G-2	3
Total	18
Grand total	34